

October 13, 2009

# UTAH DISTRICT NEWSLETTER

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## Save the Date:

Thursday, October 15, 2009  
"Where to Find Money in Recessionary  
Times" SBA Participation  
Utah Valley Univ.—Lakeview Room  
9:30 am—2:30 pm  
Contact—Stephen Clark (801) 863-8230

Thursday, October 22, 2009  
Utah Procurement Symposium  
SBA Participation in a breakout session.  
Davis Conference Center  
7:15 am —2:00 pm  
Contact—Myrna Hill (801) 538-8775  
ptac@utah.gov

Tuesday, November 10, 2009  
The Women & Business Conference  
Little America Hotel  
8 am to 5 pm  
Contact— Pamela Okumura 801-364-3631

Helping small businesses  
**start, grow and succeed.**



Your Small Business Resource

## Daniel P. Hannaher, Regional Administrator



Daniel P. Hannaher  
Regional Administrator  
Region VIII

Daniel Hannaher was appointed by President Obama as SBA's Region VIII Administrator, taking his oath of office on August 31, 2009. The SBA regional office is located in the U.S. Custom House, 721 19th Street, Suite 400, Denver, CO 80202.

A native of Fargo, North Dakota, Hannaher worked in a small business for the past 33 years, serving as President of Hannaher's Inc. an office furniture dealership purveying products and services to eastern North Dakota and western Minnesota. As an active community leader Hannaher has served on numerous boards and foundations throughout the city of Fargo and regional area, including: the MeritCare Foundation, Minnesota Public Radio Board of Directors, Fargo Public Library Board of Trustees, Minnesota State University Alumni Foundation, The Village Family Service Center Board of Directors, and the North Dakota Governor's Employment and Training Forum.

Politically engaged for many years, in 2007 Hannaher was named a Senior Adviser to the Obama for America presidential campaign, and chaired the campaign's steering committee in North Dakota. He also led state efforts in the presidential campaigns of U.S. Senator John Kerry, President Bill Clinton, and U.S. Senator Gary Hart. From 1995-1997 Hannaher was chairman of the North Dakota Democratic-NPL

Party and has been a member of the Democratic National Committee.

Raised and educated in the Fargo, ND – Moorhead, MN community, Hannaher received a BA degree in American Studies in 1976 from Minnesota State University Moorhead (MSUM). He married Loral Iverson Hannaher in 1979. His wife is currently an adjunct instructor at MSUM.

They have a daughter Lily, born in 1996, who is a student in the Fargo Public School's system. He enjoys spending time with his family, bicycling, and reading history and current events.

Region VIII, which includes Colorado, Montana, North Dakota, South Dakota, Utah, and Wyoming, is the most rural region in the nation with 27 separate tribal nations, and over 582,000 square miles of territory within its boundaries. The SBA Region VIII office, headquartered in Denver, Colorado, has 66 permanent employees in seven offices, with a loan portfolio of over 4,000 loans valued at nearly one \$1.0 billion. Management counseling and training for the region's small businesses are provided by 25 chapters of SCORE – Counselors to America's Small Businesses -- a volunteer organization that provides free business education, seven Women's Business Centers, and 61 Small Business Development Centers.

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## FY '09 MESSAGE AND ACCOMPLISHMENTS UTAH DISTRICT OFFICE



Stan Nakano  
District Director  
Utah District Office

In Utah, small businesses represent 97% of the state's employers. We know small businesses employ just over half of all private sector employees nationally and have generated 64% of the net new jobs over the past 15 years.

In Fiscal Year 2009 which ended September 30, 2009, the Utah SBA office guaranteed 2248 loans for almost \$303 million. Our office guaranteed more SBA loans than any other district office in the entire country (we have 68 offices). We did 1,415 SBA Express loans, ranking Utah 1<sup>st</sup> as well as 213 loans under the 504 program ranking us 9<sup>th</sup> in the country. We especially want to thank our Utah lenders who have remained committed to providing access to capital to Utah small businesses. These lenders include banks, credit unions, and certified development companies.

As part of the American Recovery and Reinvestment Act, the SBA received nationally \$730 million to help small businesses. To date, SBA has implemented a number of elements including:

- Eliminating and reducing fees for borrowers on 7(a) loans and for borrowers and lenders on 504 loans.

- Raising to 90% the guarantee on 7(a) loans from 75% and 85% depending on the size of the loan.

- Launching the new America's Recovery Capital (ARC) loan program, which provides no-interest, deferred repayment loans of up to \$35,000 to small businesses experiencing financial hardship, yet still viable to help them make business related debt payments.

- Providing refinancing opportunities for certain eligible loans into SBA backed 504 loans for expansion and job creation.

- Increasing the surety bond guarantee from \$2 million to \$5 million, providing small businesses with another tool to help them compete for federal construction and service contracts.

- Expanding access to investment capital for small businesses by increasing funding levels for SBA licensed Small Business Investment Companies.

The SBA has also implemented two new programs that complement the Recovery Act measures and increase access to capital for small businesses by:

- Expanding 7(a) loan eligibility to more than 70,000 small businesses through a temporary alternate size standard.

- Offering inventory financing for eligible auto, RV, boat and other dealerships under the new Dealer Floor Plan Financing pilot program.

Since the announcement of the Recovery Act on February 17, 2009, the Utah office has guaranteed 1,432 loans for \$202 million. We have guaranteed 197 ARC loans for \$6.4 million which we know are helping businesses through these economic challenges.

While the economic crisis has dramatically disrupted the lives of most Americans, small firms make an enormous and positive contribution to the quality of life in our communities. Locally owned businesses create good jobs and they boost the local tax base and invest in our communities. Small business is the shining light at the end of the economic recovery tunnel.

[www.sba.gov/recovery](http://www.sba.gov/recovery)

## FY '09 ACCOMPLISHMENTS— SCORE

SCORE Utah District, with five Chapters in Salt Lake City, Ogden, Logan, Provo and St. George, experienced a busy, innovative and productive fiscal year 2009. Total client contacts exceeded 2500, up 6% from FY2008, with direct counseling contacts up 9%. In May, SCORE held its first Speed Coaching Event in Utah, providing over fifty small business owners an impactful morning filled with a motivational keynote speaker, sales, finance and success-story workshops and a business coaching session with a SCORE business mentor. SCORE followed up in June with the opening of a second branch office in Salt Lake City, with a focus on offering extended counseling hours and a diversity outreach to minority and other underserved entrepreneurs. SCORE also more than tripled the number of minority and Spanish-speaking business mentors to better serve the expanding diversity of clients.

## FY '09 ACCOMPLISHMENTS—WBC

The Women's Business Center at the Salt Lake Chamber provided approximately 400 hours of counseling to new and existing businesses this year.

The center also offered quality trainings named Business Essentials twice a month. Some of the trainings were as listed below:

Tax Strategies 101  
Selling to Local, State and Federal Government  
Resolving Conflict in the Workplace  
Tax Time Disciplines  
Disadvantaged Business Enterprises  
Selecting Your Business Location  
Tax Planning and Business Strategies  
Online Marketing Tactics  
ABC's of Investing  
Basics of Importing  
Marketing Essentials.  
Writing Business Manuals.

The Business Women's Forum is a premier women's networking program that is held every month. Each year the forum has a successful Summer Social and this year it was at the Memorial House and was well attended. Overall the forum has helped over 500 professional women and women business owners network this year. We raised about \$8000 from sponsorships and silent auction for the center.

*For the fourth year in a row, the center has facilitated the 2009 Alfred P. Sloan Awards for Business Excellence in Workplace Flexibility. These prestigious awards recognize employers across the country that are successfully using flexibility to meet both business and employee goals.*

*The center collaborates with community organizations and this year we co-sponsored the Utah State University's Business Women's Conference in Logan and Women in International Business seminar with the Governor's Office of Economic Development and the*

*World Trade Center Utah. Both events had great speakers and presentations, well attended by women from all walks of business.*

The center has been offering business trainings for a group named *Cottage Connection*, which is a part of Valley Mental Health services. This is a part of our outreach efforts to socio economically disadvantaged women to help start a business.

In the month of September we conducted the BizWorld program for fifth and sixth graders at the City Library. Bizworld, a program for children in 5th and 6th grade helps motivate students to excel in school by teaching traditional subjects in a real world context, to help empower students with skills to become financially stable and economically responsible, and to help inspire students to think big and realize that a little ambition holds a lot of potential.

## FY '09 ACCOMPLISHMENTS—SBDC

### Utah SBDC Accomplishments

- Brought the FastTrac Developing your Child Care Business entrepreneur training program to Utah. First classes were spring 2009, new classes started in August 2009.
- Partnered with the Rocky Mountain Veterans Business Council and the Utah Department of Veterans Affairs scheduled to open the Utah Veterans SBDC in Utah during 4<sup>th</sup> quarter calendar year 2009.
- Dramatically increased counseling utilized by the Utah SBDC network clients from 2006 to 2009:
  - Existing business client to over 50% of client base (was 17%)
  - Counseling hours per year increased from 6K to 13K
  - Client average counseling hours per year increased from less than 2 to about 6
  - Client impact tracking is now in place
  - Online counseling has moved from less than 2% of all hours to 13.3% between 2006 and 2009
- Implemented a client web 2.0 web presence for Utah SBDC clients and have begun using it to:
  - Do client intake online (including electronic signatures)
  - Allow clients to sign into their own "client dashboard" to interact with counselors and access the shared electronic resource library of the Utah SBDC
- Client impact tracking is now in place
  - Capital infusion increase from \$6 million to \$36 million in the nine months ending 6/30/09.
  - Business starts stayed at the 2008 level of 180
  - Overall clients served increased from 2105 to 2501
- Deployed 7-Habits for Small Business and the 360 Survey for Small Business across the state in 2007-8; over 180 business participants have attended in the last year
- Implemented financial performance incentives for regional SBDC offices based on balanced scorecard performance



## ***Recovery Act Changes to SBA Loan Programs Sparked Major Mid-Year Turn-Around in Volume - September loan volume highest since August 2007***

**WASHINGTON** – Changes under the American Recovery and Reinvestment Act to U.S. Small Business Administration loan programs led to a rebound in SBA-backed loans for small businesses and greater access to much-needed capital.

Since the Recovery Act was signed on Feb. 17, SBA has supported more than \$11.3 billion in lending to small businesses through its two largest loan programs and seen its average weekly dollar volume increase by more than 60 percent in comparison to the weeks before the Recovery Act. Additionally, the average number of loans approved per week has increased by more than 50 percent. The dollar volume for September 2009 (\$1.9 billion) was the highest single-month total since August 2007.

“These numbers, along with our conversations with lenders and small business owners around the country, show that the Recovery Act hit the mark,” SBA Administrator Karen Mills said. “The Recovery Act was critical to unlocking

the market and as a result we’ve helped put billions of dollars of much needed capital in the hands of small business owners during this tough economic time, and brought more than 1,200 lenders back into SBA’s loan programs. With half the nation’s workforce either working for or owning a small business, these dollars played a critical role in driving economic recovery across the country.”

As a result of the credit crunch, SBA lending saw a significant decline in the fall of 2008 and early 2009. For the seven weeks prior to the Recovery Act being signed, SBA’s average weekly dollar volume was \$165 million. The average weekly average since the Recovery Act was signed, through Sept. 25, was \$275 million.

Mills cited Recovery Act provisions that reduced fees on SBA loans and raised SBA guarantees to 90 percent, as well as actions that reinvigorated the secondary markets for SBA-guaranteed loans as especially helpful in improving access to SBA-backed credit.

Overall, SBA loan approvals for the fiscal year amounted to a combined

50,829 loans (preliminary number) worth \$13.1 billion under the 7(a) and 504 loan programs. The comparable figures for fiscal year 2008, which ended just as the nation’s economy entered the financial crisis, were 78,317 and \$17.96 billion.

The dollar volume totals for SBA loans in fiscal year 2009, which ended Sept. 30, do not include loans made under the agency’s ARC, (America’s Recovery Capital) loan program. Launched on June 15, the agency has approved 2,715 ARC loans worth more than \$88 million as of September 29. Thus far, nearly 740 lenders have made ARC loans, and the number of participating lenders is increasing by an average of about 50 per week.

For more information about these and other SBA programs, visit the SBA Web site at [www.sba.gov](http://www.sba.gov), or contact your local SBA field office. You can find contact information for your local SBA office at <http://www.sba.gov/localresources/index.html>.



### **The Road to Small Business Recovery**



**Check out SBA's programs & services to help you start, grow and succeed!**



**[www.sba.gov/recovery](http://www.sba.gov/recovery)**

- Temporary elimination of fees on some SBA-backed loans
- Increased SBA guarantees on loans up to 90 percent
- Additional funding for SBA's Microloan Program
- Financing available for start-ups or existing small businesses



SBA signs and displays are provided on a non-exclusive basis.

### **SBW Nomination Information**

**November 13, 2009**

2010 nominations must be received by SBA district offices.

- Small Business Person of the Year
- Small Business Exporter of the Year
- Entrepreneurial Success Award
- SBA Young Entrepreneur of the Year
- Jeffrey Butland Family – Owned Business of the Year
- Financial Services Champion of the Year
- Home-Based Business Champion of the Year
- Home-Based Business Champion of the Year
- Minority Small Business Champion of the Year
- Small Business Journalist of the Year
- Veteran Small Business Champion of the Year
- Women in Business Champion of the Year

2010 Nomination Guidelines are available. For more information, please contact:

[Georgia.yoshida@sba.gov](mailto:Georgia.yoshida@sba.gov)

LENDER	September Loan Numbers	September Total Dollars	YTD Loan Numbers	YTD Dollars
1st Bank	0	0	2	\$50,000
ALLIANCE COMMUNITY FCU	1	\$35,000	1	\$35,000
AMERICA FIRST FCU	4	\$105,000	94	\$2,935,100
AMERICAN BANK OF COMMERCE D/B/A AMBANK	0	0	2	\$776,000
AMERICAN BANK OF THE NORTH	1	\$500,000	2	\$1,180,000
AMERICANWEST BANK	0	0	19	\$4,571,000
BANCFIRST	0	0	1	\$175,000
BANCO POPULAR NORTH AMERICA	0	0	8	\$2,795,100
BANK OF AMERICAN FORK	0	0	18	\$3,491,300
BANK OF THE WEST	0	0	1	\$335,000
BANK OF UTAH	0	0	19	\$6,467,800
BARNES BANKING COMPANY	0	0	2	\$535,000
BEACH BUSINESS BANK	0	0	1	\$975,000
BEEHIVE CU	3	\$92,400	32	\$1,105,400
BORREGO SPRINGS BANK, N.A.	1	\$465,000	1	\$465,000
BRIGHTON BANK	1	\$250,000	6	\$837,000
CACHE VALLEY BANK	1	\$150,000	4	\$2,587,300
CELTIC BANK CORPORATION	1	\$226,800	45	\$19,130,400
CENTENNIAL BANK	1	\$170,000	6	\$3,069,600
CENTRAL BANK	1	\$40,400	15	\$1,020,300
COMMUNITY WEST BANK	0	0	2	\$1,590,000
COMPASS BANK	1	\$470,000	4	\$2,131,700
CYPRUS FCU	1	\$25,000	16	\$594,200
DESERET FIRST FCU	1	\$40,000	28	\$1,045,700
EXCEL NATIONAL BANK	1	\$412,500	1	\$412,500
FIRST CITIZENS BANK & TRUST CO.	0	0	1	\$610,000
FIRST UTAH BANK	2	\$70,000	9	\$575,000
FRONTIER BANK, FSB	0	0	11	\$1,355,000
GOLDENWEST FCU	2	\$180,000	32	\$1,249,400
GRAND VALLEY BANK	0	0	1	\$115,100
GRANITE FCU	1	\$45,000	10	\$350,000
HERITAGEWEST FCU	1	\$20,000	27	\$1,360,300
HORIZON UTAH FCU D/B/A HORIZON CU	0	0	10	\$300,000
IRWIN UNION BANK AND TRUST COMPANY	1	\$1,200,000	1	\$1,200,000
JORDAN FCU	1	\$30,000	35	\$1,180,800
JPMORGAN CHASE BANK, NATIONAL ASSOCIATION	7	\$816,200	20	\$2,434,900
KEYBANK NATIONAL ASSOCIATION	1	\$50,000	21	\$3,277,400
MAINSTREET LENDER 7(A), LLC	0	0	1	\$1,790,000
MOUNTAIN AMERICA FCU	22	\$2,916,500	441	\$23,093,100
MOUNTAIN WEST BANK	0	0	3	\$377,300
MOUNTAIN WEST SMALL BUSINESS FINANCE	23	\$17,929,000	144	\$75,169,000
NATIONAL CITY BANK	0	0	1	\$2,000,000
NEVADA COMMERCE BANK	0	0	4	\$4,831,300
PACIFIC CITY BANK	0	0	1	\$1,237,500
SOUTHWEST COMMUNITY FCU	2	\$60,000	15	\$483,000
STATE BANK OF SOUTHERN UTAH	9	\$460,600	37	\$2,511,600
STEARNS BANK NATIONAL ASSOCIATION	0	0	1	\$120,000
SUNFIRST BANK	0	0	2	\$385,000
SUPERIOR FINANCIAL GROUP, LLC	3	\$40,000	23	\$280,000
THE FIRST NATIONAL BANK OF LAYTON	1	\$165,000	10	\$1,755,700
THE HUNTINGTON NATIONAL BANK	0	0	2	\$522,000
THE VILLAGE BANK	0	0	1	\$52,500

LENDER	September Loan Numbers	September Total Dollars	YTD Loan Num- bers	YTD Dollars
U.S. BANK NATIONAL ASSOCIATION	2	\$368,700	35	\$6,788,000
UNIVERSITY FIRST FCU	2	\$1,160,000	15	\$2,400,000
USU CHARTER FCU	1	\$20,800	2	60,800
UTAH CENTRAL CREDIT UNION	0	0	2	\$100,000
UTAH CERTIFIED DEVELOPMENT COMPANY	2	\$730,000	69	\$35,477,000
UTAH COMMUNITY FEDERAL CREDIT UNION	0	0	1	\$25,000
UTAH FIRST FCU	3	\$100,000	23	\$935,000
WELLS FARGO BANK, NATIONAL ASSOCIATION	2	\$300,900	37	\$11,455,100
ZIONS FIRST NATIONAL BANK	115	\$6,762,500	869	\$58,739,300
<b>TOTALS</b>	<b>222</b>	<b>\$36,408,800</b>	<b>2247</b>	<b>\$302,906,500</b>

For Questions Regarding Loan Numbers in this report please contact Pat Fewkes at (801) 524-3218 or email: [patricia.fewkes@sba.gov](mailto:patricia.fewkes@sba.gov).